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FM AMEMBASSY KUALA LUMPUR

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S E C R E T SECTION 01 OF 02 KUALA LUMPUR 000504

SIPDIS

S/CT FOR FEIERTSTEIN, ALLEGRA
EAP/MTS, MLS, RSP
USCG FOR ATTAMAN, CARUOLO

E.O. 12958: DECL: 06/11/2028

TAGS: PTER PREL PGOV MY

SUBJECT: S/CT PDAS FEIERSTEIN MEETS SENIOR MALAYSIAN
OFFICIALS

Classified By: Political Section Chief Mark D. Clark, reasons 1.4 (a, b
, c).

¶1. (C) Summary: S/CT PDAS Jerry Feierstein visited Kuala Lumpur June 6-7 and met with the head of the Malaysia's National Security Council, Muhammad Hatta, and the Deputy Secretary General of the Home Ministry, Ahmad Fuad. Discussion of counterterrorism covered de-radicalization efforts, improving bilateral and multilateral information exchange, cyber security, and capacity building linked to land and maritime border control. NSC Secretary Hatta betrayed his preoccupation with the fluid domestic political situation. End Summary.

HOME AFFAIRS

¶2. (C) Home Ministry Deputy Secretary General Ahmad Fuad provided an overview of Malaysian counterterrorism efforts for PDAS Feierstein. He characterized Malaysian CT tools as ranging from multilateral prevention, to pre-emptive law enforcement, to rehabilitation and counter-radicalization. Fuad signaled his encouragement of greater information exchange as well as stepped up capacity- and confidence-building. Fuad noted that the upcoming Kuala Lumpur meeting of the ASEAN Senior Officials' Meeting on Transnational Crime would take up a draft CT code linked to the 2002 Agreement on Information Exchange and the ASEAN Convention on Counterterrorism. When asked whether Malaysia had initiated any prosecutions under its new CT laws, Fuad said the government instead focused on preventative measures and use of the Internal Security Act to detain suspected terrorists without recourse to trial. Fuad also pointed to the prosecution of two money laundering cases (neither linked to terrorist finance).

GREATEST CHALLENGE: POST-ELECTION POLITICS

¶3. (S/REL) At a meeting later in the day with NSC Secretary Muhammad Hatta, PDAS Feierstein asked Hatta for a threat assessment. With seeming candor, Hatta expressed the government's concern that opposition gains as a result of the March 8 elections, including opposition control of five states, had "polarized" the country and could ignite racial tensions, creating a "risk to national unity." "We are

looking carefully at the political opposition," he said, while also acknowledging possible instability due to "infighting" within the ruling UMNO party of Prime Minister Abdullah. (Comment: The government has sought to use the specter of an ethnic Malay backlash as a means of pressuring the opposition coalition, which includes two multi-racial parties. Government-controlled media periodically has attempted to fan Malay discontent since the March 8 polls. End Comment.)

"INFILTRATION" FROM MINDANAO AND INDONESIA

¶4. (S/REL) Threats from terrorism and extremism were secondary, Hatta implied. Indeed, Hatta discounted the terrorist threat posed by Jemaah Islamiyah (JI). "JI cells are small, otherwise they would be detected," he said. On the terrorism front, the main concern was "infiltration" from Mindanao and Indonesia, as Malaysia's porous borders allowed JI militants to transit with relative ease. Hatta assessed that the Islamist opposition party PAS would not tend toward extremism. He also noted that the government actively monitors Islamic schools for signs of militant ideology.

¶5. (S/REL) When asked by PDAS Feierstein how the USG could assist, Hatta indicated the importance of capacity building to strengthen land and maritime border control. In this connection, he encouraged strengthening the new relationship being forged between the Malaysian Maritime Enforcement Agency and the U.S. Coast Guard. He also expressed interest in cyber security training for the NSC.

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¶6. (U) PDAS Feierstein did not clear this message.

KEITH